

How to Cut Your Insurance Costs

Over the lifetime of your car, operating costs can total almost as much as the original price. Insurance may account for nearly one-third of the final tab.

Rates for identical coverage can vary by 100 percent from one company to another. Competitive bids can save \$500 or more per year. In the long run, a little research will help you short cut your insurance costs.

Here's how to lower your insurance bill:

- *Take a higher deductible.* For every \$100 your deductible rises, your collision cost drops by seven percent to 15 percent and your comprehensive cost drops by 15 percent to 30 percent.
- *Drop collision and/or comprehensive coverage on older cars.*
- *Eliminate duplicate coverage.* In states with no-fault insurance, you must carry personal injury protection. But any coverage beyond the required amount may duplicate health coverage.
- *Drive an economical car.* Luxury and sports cars

may be costly to repair and be the target of thieves.

- *Pay your insurance premiums semi-annually or annually.*
- *Inquire about discounts.* Most insurers offer discounts for automatic seat belts, anti-lock brakes, auto theft devices, and side air bags. Many also offer discounts for students with a B grade point average or better. Some also offer discounts to non-smokers, non-drinkers and adults 55 and older who have passed a defensive driving course.
- *Assign drivers to specific cars.* Designate your children as the primary drivers of the least valuable cars to save about 15 percent. Also, when your children pass a driver's education course, you can save five to ten percent on their coverage.

Finally, insure all your cars with one agent to get a multi-car discount. If the same agent also insures your home, you may realize even greater savings. Review coverages with your agent annually.

Cheap Wheels

Consumers in the mid-1980s paid an average of \$12,000 for a new car. Looking for a 2002 car for \$12,000? Then you'll probably have to limit your search to the cars listed below. If you don't require air conditioning or automatic transmission, you may find that "the price is right." (In some cases, only the cheapest versions of the models shown here qualify.)

**Daewoo Lanos
Daewoo Nubira
Hyundai Accent
Kia Rio
Kia Spectra
Nissan Sentra
Saturn SL
Saturn SL1
Toyota Echo**